

that they were entitled to interest on so much of the subscription as was not promptly paid, has been discharged. A certificate for the whole number of shares, (500 at \$1.00 each,) subscribed by the State, was therupon furnished by the Company, which has been recorded by the Secretary of State, and returned to this office, agreeably to the directions of the Act for perpetuating the evidence of stock. A certificate for the stock held by the State in the Plymouth Turnpike Company (100 shares at \$2.) has likewise been procured, recorded, and filed in this office.

In the year 1828, the President and Directors of the Literary Fund invested a portion of the cash belonging to that Fund, in stock of the Banks of Newbern and Cape Fear. These Banks continued to pay the tax of one per centum on the shares thus purchased, and held in the name of the President and Directors of the Literary Fund, as on shares "not owned by the State," until the present year. The collection of this tax is now resisted by the President of the Bank of Newbern, and a deduction of that which was paid for the years 1828, '29, '30 and '31, from that which is due for the present year on the other shares not owned by the State, claimed, on the ground that the State is the proprietor of those shares, and that, consequently, the words "not owned, &c." exempt them from the tax. The question was immediately put into a train for adjudication before the proper tribunal, by a motion in the Superior Court of Wake county, for judgment against the Bank, for the whole amount of tax, as heretofore paid. The opinion of the Court sustained the claim of the Bank, and an appeal has been taken to the Supreme Court. Should the decision be ultimately against the State, and should the Legislature approve the suggestion, that the Bank of Cape Fear be dealt by according to such decision, a directory resolution of such purport would be sufficient authority to act accordingly.

The file marked G, accompanying this report, contains a detailed statement of the nett amount of the different branches of the ordinary revenue, and the cash received thereon; also the receipts from other sources not appropriated to particular funds, and payable into the Treasury, from the first of November, 1831, to the first of November, 1832.

The aggregate amount of Treasury Notes issued, the several amounts burnt, and the balance unredeemed and in circulation on the first of November, 1832, are exhibited in statement K. The discussion of their return upon this office for redemption, it will be perceived, has been very material.

A statement of the amount of insolvencies allowed by the Comptroller, in settling with each Sheriff, appears in file H.

(I) Shows the number of shares of Bank stock owned by the State, and by the President and Directors of the Literary Fund,